



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

June 29, 2005

**S. 37**

**A bill to extend the special postage stamp for  
breast cancer research for two years**

*As ordered reported by the Senate Committee on Homeland Security  
and Governmental Affairs on June 22, 2005*

**SUMMARY**

The Stamp Out Breast Cancer Act (Public Law 105-41) authorized a special postage stamp for first-class mail. The price of this stamp is 45 cents, 8 cents above the regular rate of 37 cents, and the authority to issue this stamp expires on December 31, 2005. After accounting for the Postal Service's administrative costs, amounts above the regular postal rate collected from sales of the special stamp are transferred to the National Institutes of Health (NIH) and the Department of Defense (DoD) to spend on breast cancer research efforts. S. 37 would extend this program until December 31, 2007.

Over the 2006-2015 period, CBO estimates that enacting S. 37 would have no net effect on direct spending, and would not affect either revenues or discretionary spending. S. 37 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 37 is shown in the following table. The costs of this legislation fall within budget functions 050 (national defense), 370 (commerce and housing credit), and 550 (health).

|                                   | By Fiscal Year, in Millions of Dollars |      |      |      |      |      |      |      |      |      |
|-----------------------------------|--|------|------|------|------|------|------|------|------|------|
|                                   | 2006                                   | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| <b>CHANGES IN DIRECT SPENDING</b> |  |      |      |      |      |      |      |      |      |      |
| <b>Off-Budget Effects</b>         |  |      |      |      |      |      |      |      |      |      |
| Impact on the Postal Service      |  |      |      |      |      |      |      |      |      |      |
| Estimated Budget Authority        | -3                                     | 0    | 3    | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| Estimated Outlays                 | -3                                     | 0    | 3    | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| <b>On-Budget Effects</b>          |  |      |      |      |      |      |      |      |      |      |
| Impact on NIH and DoD             |  |      |      |      |      |      |      |      |      |      |
| Estimated Budget Authority        | -1                                     | -3   | 0    | 3    | 1    | 0    | 0    | 0    | 0    | 0    |
| Estimated Outlays                 | -1                                     | -3   | 0    | 3    | 1    | 0    | 0    | 0    | 0    | 0    |
| <b>Unified Budget Effect</b>      |  |      |      |      |      |      |      |      |      |      |
| Total                             |  |      |      |      |      |      |      |      |      |      |
| Estimated Budget Authority        | -4                                     | -3   | 3    | 3    | 1    | 0    | 0    | 0    | 0    | 0    |
| Estimated Outlays                 | -4                                     | -3   | 3    | 3    | 1    | 0    | 0    | 0    | 0    | 0    |

## BASIS OF ESTIMATE

Based on sales of the special breast cancer stamp in recent years, CBO estimates that enacting S. 37 would generate collections above the regular postage rate of roughly \$5 million in each of fiscal years 2006 and 2007 and about \$2 million in 2008. After covering its administrative costs (about \$1 million over this period), the Postal Service would transfer those collections to NIH and DoD in May and November of each year. Thus, the net impact on the Postal Service over the 2006-2008 period would be zero. Spending and collections of the Postal Service are classified as “off-budget.”

We estimate that enacting S. 37 would increase NIH and DoD collections (from Postal Service Transfers) by about \$1 million in 2006, \$6 million in 2007, and \$4 million in 2008. Spending of these collections by those two agencies would lag behind the amounts collected by several months. We estimate research spending would be \$1 million in fiscal year 2006, \$3 million a year in 2007, \$4 million in 2008, \$2 million in 2009, and about \$1 million in 2010. Thus, the net unified budget impact of the proposal (including on-budget and off-budget effects) would be zero over the 2006-2010 period, with no effect after 2010.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 37 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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